



MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

EMPLOYMENT TRENDS

The seasonally adjusted unemployment rate for the Magic Valley Labor Market Area was one-tenth of a percentage point lower in December 2001 than December 2000 and two-tenths of a percentage point higher than November 2001, as shown on Magic Valley Table 1. *Civilian Labor Force* was slightly lower in December than a year ago, but the number of unemployed persons was lower also, accounting for the lower unemployment rate.

Nonfarm Payroll Jobs saw a modest increase of 3.2 percent from December 2000 to December 2001. This trend is in keeping with the Magic Valley LMA's tendency to be relatively stable or slightly improved compared to the rest of the state and the nation in the present economic downturn. Some major areas that had significant drops year-over-year were *Mining & Construction*, *Transportation, Communication, & Utilities*, and *Government-Education* with percentage declines of 11.9, 9.1, and 4.6 percent, respectively. *Mining & Construction* fell because of weather-related issues. A mild winter in 2000 allowed for many construction projects to continue well into December and even January 2001, however, heavy snow and bad weather in November and December 2001 forced many projects to be suspended.

Government-Education fell as a result of state budgetary concerns as many school districts have not refilled positions caused by attrition and have eliminated some auxiliary positions. Significant increases took place in *Services* and *Finance, Insurance, & Real Estate* with increases of 27.1 and 14.3 percent, respectively. Some of the very large *Services* increase is due to jobs that had previously been designated as *Agricultural Services*. However, a good portion of this increase is due to the strong tendency of many Magic Valley employers to use temporary employment agencies for staffing,

Magic Valley Table 1: Labor Force & Employment
Twin Falls, Jerome, and Gooding counties

	Dec 2001*	Nov 2001	Dec 2000	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	48,670	47,980	49,560	1.4	-1.8
Unemployment	2,130	2,010	2,210	6.0	-3.6
% of Labor Force Unemployed	4.4	4.2	4.5		
Total Employment	46,540	45,970	47,350	1.2	-1.7
Unadjusted					
Civilian Labor Force	48,460	48,150	48,460	0.6	0.0
Unemployment	2,220	1,870	2,220	18.7	0.0
% of Labor Force Unemployed	4.6	3.9	4.6		
Total Employment	46,240	46,280	46,240	-0.1	0.0
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	39,660	39,460	38,440	0.5	3.2
Goods-Producing Industries	6,910	7,000	7,340	-1.3	5.9
Mining & Construction	1,770	1,830	2,010	-3.3	-11.9
Manufacturing	5,140	5,170	5,330	-0.6	-3.6
Durable Goods	840	870	900	-3.4	-6.7
Nondurable Goods	4,300	4,300	4,430	0.0	-2.9
Food Processing	3,270	3,320	3,350	-1.5	-2.4
All Other Nondurable Goods	1,030	980	1,080	5.1	-4.6
Service-Producing Industries	32,750	32,460	31,100	0.9	5.3
Transportation, Comm., & Utilities	2,690	2,660	2,960	1.1	-9.1
Wholesale Trade	2,280	2,320	2,300	-1.7	-0.9
Retail Trade	8,230	8,250	8,540	-0.2	-3.6
Finance, Insurance, & Real Estate	1,520	1,510	1,330	0.7	14.3
Services	10,590	10,220	8,330	3.6	27.1
Government Administration	3,730	3,720	3,750	0.3	-0.5
Government Education	3,710	3,780	3,890	-1.9	-4.6

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

and that sector increased significantly as some businesses started using temporary workers instead of regular full- or part-time workers.

The South Central Idaho area finished up 2001 on a strong note with increases in *Nonfarm Payroll Jobs* and decreases in the unemployment rate. Consumer confidence remains strong due to adequate precipitation thus far making the agricultural outlook relatively good. There is some concern as winter storms have abated recently, but snow accumulation remains considerably better than last year. The area continues to be atypical of the trends shown in the rest of the state and the outlook for the area is that economic cooling will continue, but South Central Idaho should continue to be stable at least through the first half of 2002. Unemployment rates should remain stable or perhaps slightly higher. If the continuing trend of no long-term layoffs prevails, good consumer confidence and economic stability should remain in the area this year.

AREA DEVELOPMENTS

Twin Falls County

- Building permits for new single-family homes set a new record for the city of Twin Falls in 2001. Last year's 241 building permits exceeded the previous record of 238 set in 1994. Even though there was a decline in commercial buildings, the single-family housing permits helped the city tally its highest combined construction values of the last four years.
- The Magic Valley Mall has signed several new tenants to leases thus far in 2002. The addition of such tenants as Victoria's Secret, Mariposa, Roth's Shoes, and Lotus Express has brought to within 3,025-square feet of complete occupancy. Victoria's Secret is the largest retailer of the new group and will locate in the former Lane Bryant location in the mall. Most of the new tenants should be in place and operating by early spring 2002.
- The Prime Cut Restaurant located on Blue Lakes Boulevard in Twin Falls closed after 25 years in business. The company stated that the arrival of new restaurants in town severely curtailed its business and forced the closure. About 24 full- and part-time workers were affected by this action.
- Golden Corral Restaurant has announced plans to locate a new facility in Twin Falls during 2002. Jeff Casey of Boise will be the franchisee of the new restaurant. Mr. Casey also owns Café Ole and the Wendy's Old Fashioned Hamburgers location in Twin Falls. There has not been a definite location or time set for the opening of the restaurant, but the facility is expected to be like the one in Pocatello with seating for 300 customers and an initial hiring of 130 workers.
- The Twin Falls City Council unanimously voted to appoint Lance Clow as the city's new mayor. Mr. Clow replaces Elaine Steele whose term was over as city mayor. Steele was voted vice-mayor. The Twin Falls mayor has the major responsibility of presiding at city council meetings. Clow is an eight-year veteran of the city council and was re-elected this past year along with incumbents Elaine Steele and Chris Talkington. With Elaine Steele back in a regular council position, there are now three former mayors on the city council.
- The Twin Falls Chamber of Commerce and the College of Southern Idaho, sponsors of the annual Success Breakfast, has scheduled Joe Theisman, former Super Bowl winning quarterback with the Washington Redskins and an ESPN commentator, as the featured speaker. The breakfast will begin at 7:00 a.m. March 20 in the College of Southern Idaho gymnasium. Mr. Theisman's speech "Game Plan for Success" will be from 8:30 to 9:30 a.m. with 15 minutes for questions and answers.

Jerome, Gooding, Camas, Lincoln, and Blaine Counties

- Magic Valley Bank, a Twin Falls-based community bank, has constructed and opened a full-service branch in Gooding. The branch, located at 746 Main Street in Gooding, is the Magic Valley Bank's first full-service branch office built and owned by the company. The Gooding office was opened in a trailer at the same location in April 2000. The trailer was closed on January 31, 2002, as the switch over to the permanent branch was made.
- Elkhorn Resorts in Sun Valley, including the hotel and golf course, has been purchased by the Chesapeake Hotel Group of Annapolis, Maryland. Terms and conditions of the sale were not disclosed, and it was not immediately known if any major changes in operation are forthcoming.

Cassia and Minidoka Counties

- The Heyburn City Council voted unanimously to annex 32 acres that includes the J.R. Simplot Heyburn Plant. The council had been considering this for several months, but had suspended the action while city and company officials negotiated electrical rates. However, there was not satisfactory progress made, and the city proceeded with annexation. Simplot countered with litigation, alleging that the city's electrical rates were unreasonable and exorbitant. The issue was sent to the Fifth District Court where it was ruled that the city had acted properly in its annexation and would not award Simplot any reparations for high electrical rates. Simplot and the city reached a tentative agreement on January 11, 2002, to resolve their dispute about the sale of electricity. Under the announced agreement, the city will try to sell its electrical distribution system. The purchasing entity will arrange terms and conditions for electrical service to Simplot's Heyburn facility that are acceptable to Simplot officials. If the city sells the electric system, Simplot will drop its lawsuit against Heyburn. The sale of the electric distribution system is expected to take four to six months.
- Cassia Regional Medical Center in Burley has partnered with a group of 27 radiologists based in Salt Lake City to cover the radiology needs at the hospital. As part of the partnership, a computerized tomography scanner will be installed in a few months. Also as part of the agreement, a full-time radiologist will be on site during regular business hours. After hours and on weekends, hospital personnel can now send images to the LDS Hospital in Salt Lake City where a radiologist is available 24 hours a day. Patients will receive results quicker and be notified of diagnoses day or night from highly specialized professionals.

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